

regime. And the people of Nepal continued to suffer many serious human rights abuses, both during and after the February–April state of emergency that suspended all fundamental rights except for habeas corpus—and even habeas corpus orders issued by the court were not respected.

The totalitarian governments of China, North Korea, Vietnam and Cuba all continued their persecution of political and religious dissidents. The Chinese government and security forces, in particular, are cited by the 2005 Reports as having increased their harassment, detention and imprisonment of those perceived to be a threat to government authority. The government considers the number of death sentences to be a state secret, but foreign experts estimated that between 5,000 and 10,000 persons are executed each year. There were claims that 20 public protesters were killed last year during one demonstration, and the state-run media reported that in general 460 persons were killed through abuse or dereliction of duty. The UN Special Rapporteur on Torture Manfred Nowak reported after his November visit that torture in China remains widespread.

One of the most egregious human rights abuses that is receiving grossly insufficient global attention is the one-child per family policy enforced in China since 1979. The policy says that if a woman happens to become pregnant with a second child, despite the government's best efforts to assure that this does not happen, then the parent must pay a heavy penalty or unborn child must be aborted. Heavy fines are imposed upon couples who have an "unapproved" child. These so-called "social compensation fees" can be up to ten times a person's annual salary, compelling them to abort the baby.

The Chinese government goes to appalling lengths to enforce its one-child limit, abusing the rights of Chinese women, in particular, to a degree that is unique in both kind and degree. For example, Government Family Planning Bureaus conduct periodic pregnancy tests on married women, and give them unspecified "follow-up" services. Fines for failing to undergo these tests can be as high as \$60 US. It should therefore not be surprising that approximately 500 women in China commit suicide each day—more than five times the global rate. Possible reasons given for this tragic statistic include that country's birth limitation policies and the traditional preference for male children.

Officials who help individuals to evade the birth limitations are legally subject to significant and detailed sanctions. On the other hand, those who meet the population goals established by their administrative region are rewarded. Thus, it is no wonder that local officials violated individual's rights in attempting to reduce the number of births in their region. The 2005 Reports state that in just one province, 130,000 people were detained to force them or their relatives to submit to abortion or sterilization procedures. Several late-term abortions were documented, and at least 7,000 people were forcibly sterilized. Local officials profited personally from the fees charged for attendance at the "population schools." One legal activist was placed under house arrest for exposing these abuses. Other instances of forced sterilizations and abortions, committed in pursuance of these harsh birth limitation policies, were again documented.

The combined effect of the birth limitation policies and the traditional preference for male children resulted in the disproportionate abortion of female fetuses at a rate of 116.9 to 100 overall, and a shocking 151.9 to 100 for second pregnancies. As a direct result of these ongoing crimes against humanity, China today is missing millions of girls, girls who were murdered in the womb simply because they are girls. A couple of years ago, the State Department suggested that as many as 100 million girls of all ages are missing—that is to say, they should be alive and well and are not, a direct consequence of the government's one-child policy. This gendercide constitutes one of humanity's worst blights, and a far greater peril to peace and security than is being credited at this time.

Elsewhere in the world, dictatorships in Belarus and Burma were unsurprisingly similar in their oppressive methods of control to maintain power. Security forces in both countries arbitrarily arrested and detained citizens for political reasons. Police abuse and torture of prisoners continued in Belarus, and in Burma, abuses also included rape, beatings, forcible relocation of populations, and conscription of child soldiers.

In Africa, human rights abuses continued to be widespread throughout the continent. In Ethiopia, the refusal of the opposition parties to accept the announced results of the May elections resulted in serious human rights abuses. Authorities arbitrarily detained, beat and killed opposition members and freedom of the press and freedom of assembly were severely curtailed. In addition to the forced displacement mentioned earlier, Zimbabwe once again went through the charade of elections that in fact were marked by fraud and the improper participation of security forces in the tabulation of ballots, irregularities in voter registration, and continued restrictions on speech, press and assembly.

The world is all too aware of the continuing tragic situation in Sudan. According to the World Health Organization, the conflict in Darfur has resulted in the deaths of at least 70,000 civilians, the internal-displacement of more than 1.9 million civilians, and the flight of an estimated 210,000 refugees to neighboring Chad. When confronted with such numbers, one must also take into account the attending human rights violations, including the abuse of children, extensive trafficking in persons, and the acts of torture and violence against women.

The human rights record of Iran also worsened this past year, with numerous troubling violations reported. The government executed many political dissidents following trials that lacked due process. Dissent was criminalized and the death penalty applied to such offenses as apostasy, "attempts against the security of the State, outrage against high-ranking officials and insults against the memory of Imam Khomeini and against the Supreme Leader of the Islamic Republic." A report released during the past year stated that at least 8 evangelical Christians have been killed in Iran and another 15 to 23 reported missing or "disappeared" over the past 15 years.

Also alarming were the reports of serious human rights violations by governments with which the United States enjoys a close relationship. The 2005 Reports give no indication that Saudi Arabia is correcting its traditional disregard for religious freedom. Officially sanc-

tioned discrimination against the Shi'a Muslim minority continued, and Christians still faced arrest and detention for practicing their faith, even in the privacy of their own homes. One newspaper reported that 40 Pakistani citizens, including one Muslim, were arrested after holding Christian services in an apartment. Other human rights abuses took place in Saudi Arabia as well, including abuse of prisoners by security forces, arbitrary arrests, and legal and societal discrimination against women.

Finally, I continue to be deeply troubled by the lack of respect for human rights and religious freedom in Vietnam. Vietnam is a one-party state run by the Communists which oppressively controls the ordinary lives of its citizens, rigidly represses political rights, and denies its people the exercise of their religious freedom. The Country Report on Vietnam documents that the government subjected religious leaders to administrative detention, "pagoda arrest," and varying degrees of informal detention in their residences. Citizens who tried to exercise their rights to practice their religion, assembly, or expression also were detained at times for several days by security forces. Such conduct should not be ignored when a country is seeking stronger economic relations with the United States.

In conclusion, the biggest challenge with the Country Reports is not the reporting itself, but the uses to which this human rights reporting will be put to achieve universal respect for human rights and thus greater peace and stability in our world. Human rights can not be the work of one political officer in the Embassy who prepares the annual report once a year and then turns to other tasks. Rather, it must be the foundation on which our bilateral relationships are based.

The cornerstone of U.S. foreign policy must be the promotion of American values, which include the protection and advancement of fundamental human rights of people around the world. The moral character and depth of soul of any society will be measured not by its military might, technological prowess, athletic excellence or GDP, but by the respect it accords to the inherent dignity and worth of every person who lives within its borders.

#### RECOGNIZING DR. I. KING JORDAN FOR HIS CONTRIBUTIONS TO GALLAUDET UNIVERSITY AND THE DEAF AND HARD OF HEAR- ING COMMUNITY

SPEECH OF

**HON. STENY H. HOYER**

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 28, 2006*

Mr. HOYER. Mr. Speaker, today I rise to express my strong support for H. Res. 680 and to pay tribute to the long and distinguished career of Dr. I. King Jordan, the first deaf President of Gallaudet University. Dr. Jordan's compelling life story, keen intellect, and unbridled passion have combined to make him an extraordinary educational leader, one of our nation's foremost advocates for people with disabilities, and an international leader and role model for the deaf and hard of hearing.

Over the 18 years that he has served as University President, as well as his years as

Dean of the College of Arts and Sciences and Chair of the Psychology Department, Gallaudet University has thrived under Dr. Jordan's leadership. Gallaudet is the world's only university in which all programs and services are specifically designed for deaf and hard of hearing students. As President, Dr. Jordan dramatically expanded the University's endowment, improved and expanded academic programs, added new facilities, and recruited world-class faculty and administrators.

I got to know Dr. Jordan during the passage of the Americans with Disabilities Act, which was signed into law in 1990. Dr. Jordan was a lead witness during a joint session of Congress and delivered key testimony, which was instrumental to the passage of this landmark civil rights legislation.

Dr. Jordan has never relented in his commitment to improving the lives of people with disabilities. Last year, I was privileged to join Dr. Jordan in receiving the George Bush Medal for the Empowerment of People with Disabilities. That distinguished award is just one of the many that Dr. Jordan has received for his work. His numerous accomplishments and awards include no fewer than eleven honorary degrees, the Washingtonian of the Year, the James L. Fisher Award from the Council for Advancement and Support of Education (CASE), the Larry Stewart Award from the American Psychological Association, the Distinguished Leadership Award from the National Association for Community Leadership, and the U.S. Presidential Citizens Medal.

In 1990, President George Bush appointed Dr. Jordan Vice-Chair of the President's Committee on Employment of People with Disabilities (PCEPD), and in 1993 he was later reappointed as Vice-Chair by President Clinton of this influential body that made national recommendations on issues of employment.

Dr. Jordan recently announced that he will retire as Gallaudet's first deaf President on December 31, 2006. While the University will be losing a remarkable leader, I know that Dr. Jordan will continue to be a driving force in our community.

Mr. Speaker, I wish to express my deep gratitude to Dr. Jordan on behalf of the millions of individuals he has helped and inspired throughout his career. His tireless efforts have improved not only Gallaudet University, but also our nation and our world. I wish Dr. Jordan the best of luck in his retirement. His leadership and legacy will never be forgotten.

#### DEFINING PROTECTIONISM DOWN

#### HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 29, 2006

Mr. FRANK of Massachusetts. Mr. Speaker, one of the most disturbing trends that we have seen recently is that of those who would adopt rules abolishing any restrictions on the untrammelled flow of capital around the world, taking away from countries their sovereign rights to impose restrictions that serve legitimate national interests. This applies both to direct foreign investment, and even more to the notion that short-term purely financial investments must be allowed under any circumstances whatsoever. As Daniel Davies notes in a British newspaper, the *Guardian*,

while it is true that the general rule should be to allow cross-border purchases of companies, "there are, quite feasibly, a lot of uncommon but not impossible situations in which a democratic government might want to pass a law about the operations of a company, and not want to find itself being taken to a WTO tribunal for doing so." He correctly says in closing, "Of course, there is not really all that much to be said for local ownership restrictions in most cases . . . But on the other hand, nor is it 'protectionism.' The case for capital market openness is very much weaker than the case for goods market openness and we should all resist the attempt to define down protectionism."

[From the *Guardian*, Mar. 20, 2006]

#### DEFINING PROTECTIONISM DOWN

(By Daniel Davies)

Economic "protectionism" is back in the news with a vengeance, with France objecting to takeovers in the steel sector, Spain putting together national champion utilities and the USA crying blue murder over Dubai Ports World's proposed acquisition of P&O. James Surowiecki had an article in the Saturday *Guardian* painstakingly setting out the conventional wisdom on this subject (ie, that it's very bad). Trouble is, this isn't really what "protectionism" means.

Basically and historically, "protectionism" (and "mercantilism" and related terms) always used to refer to tariff policy, with respect to goods markets and trade between buyers and sellers. The use of the terms to refer to policies about capital markets and ownership of companies is a new one; I spotted it beginning to arise in the *FT* and *Economist* around the beginning of the 1990s and have been writing Mr Angry letters on the subject ever since. Because capital markets "protectionism" is much less bad than the goods market type and might not even be bad at all.

It's easy to explain why tariffs are bad. They're a tax on a particular economic activity—trade. Because of this, they cause people to do things that they wouldn't otherwise do in order to avoid the tariff, or not to do things they otherwise would do because the cost of the tariff means it isn't worth their while. There is a deadweight loss associated with this, and empirically it turns out that this deadweight cost is substantial. That's why tariffs are bad, and why we have a WTO dedicated to removing them.

On the other hand, ownership of a company isn't an economic activity at all (because "ownership" isn't an activity, it's something you can do while sleeping, in a coma or even dead). So it is much harder to see how any deadweight loss can be created by placing taxes or other kinds of barriers on overseas investment in domestic companies. The very fact that James Surowiecki in his article has to appeal to "the discipline of the takeover market on inefficient managements" ought to raise eyebrows here. If there is one thing we do know about the discipline of the stock market, it's that it's a very weak force for good indeed, if it's a force for good at all. And the empirical evidence bears this out as well; while the gains from goods markets liberalisation are big and definitely there, the gains from capital account liberalisation are small and frustratingly difficult to detect, no matter what econometric techniques you bring to bear.

Set against this, there are on occasion quite legitimate reasons why one might want to put curbs on the foreign ownership of domestic industries. Most particularly, you might want to be absolutely sure that you can govern them via domestic national laws. There is a lot of ill-founded paranoia

about "multinationals", but it is true that a company with multinational operations has a lot more wriggle room when it comes to regulations it doesn't like. Furthermore, you can keep a lot more control over the tax base, and over things like shipping records and accounts which are usually stored in head office. Even the Thatcher governments recognised this, which is why the government used to have a "golden share" in a lot of privatisation companies. There are, quite feasibly, a lot of uncommon but not impossible situations in which a democratic government might want to pass a law about the operations of a company, and not want to find itself being taken to a WTO tribunal for doing so.

And this is what the root of the problem is, I think. The rise of cross-border ownership of companies has gone hand in hand with the rise of a lot of bogus WTO cases trumped up by multinational companies which don't like the way in which they are being regulated in one of their countries of operation, and have managed to convince someone that it is a restraint of international trade. At about the time that the new usage of the word "protectionism" was being popularised, the international civil service was trying to negotiate something called the Multilateral Agreement on Investment (MAI). If it had been passed, this would have more or less guaranteed to foreign investors in any country that they would be able to carry out business in the same way in which they did in their own country. The fact that this would lead to a lowest-common-denominator effect pretty quickly was, of course, not an unintended consequence—this was the grand high era of neoliberalism, after all. However, more or less for this reason, the MAI was incredibly unpopular (particularly in the USA, where there are all sorts of local regulations and industry sweetheart deals which everyone wanted to preserve) and it died the death of a thousand committees.

Ever since the death of the MAI, global civil servants at places like the EU and the WTO have been trying to resurrect it. They've been doing this, as far as I can see, by attempting to blur the distinction between goods market and capital market protection. I've mentioned that the WTO is chock full of bogus cases where regulations on a local subsidiary of a large company have been portrayed as a restraint of trade, but the EU is if anything worse; the office of Charlie McCreevy and the Single Market Directorate Generale of the EU have a really nasty habit of claiming that the "right of establishment" of the Treaty of Rome gives them the power to force through any cross-border merger in Europe in the face of government opposition. So the linguistic confusion between "protectionism" in the sense of tariffs and "protectionism" in the sense of local ownership restrictions is not really all that innocent.

Of course, there is not really all that much to be said for local ownership restrictions in most cases. If someone wants to buy shares in a company, the fact that he comes from overseas is usually not a very good reason to stop him. But on the other hand, nor is it "protectionism". Even Adam Smith had very different opinions on free trade in goods markets, versus international investment. The case for capital market openness is very much weaker than the case for goods market openness and we should all resist the attempt to define down protectionism.